



**UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE**

**DAIRY PROGRAMS
Milk Market Administrator
Southwest Marketing Area**

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May 31, 2002

ANNOUNCEMENT OF CLASS II, III, IV AND COMPONENT PRICES ^{1/ 6/}

	<u>May 2002</u>
CLASS II PRICE^{2/}	\$ 11.29
Nonfat Solids Price, per lb.....	\$ 0.8367
Butterfat Price, per lb. ^{3/}	\$ 1.1503
CLASS III PRICE^{2/}	\$ 10.82
Skim Milk Price.....	\$ 7.07
Protein Price, per lb.....	\$ 2.2097
Other Solids Price, per lb.....	\$ 0.0371
Butterfat Price, per lb.....	\$ 1.1433
CLASS IV PRICE^{2/}	\$ 10.57
Skim Milk Price.....	\$ 6.81
Nonfat Solids Price, per lb.....	\$ 0.7572
Butterfat Price, per lb.....	\$ 1.1433
SOMATIC CELL ADJ. RATE, per 1,000 SCC	\$ 0.00062

DAIRY PRODUCT AVERAGE PRICE QUOTATIONS

	<u>MAY 2002</u>	<u>APR 2002</u>	<u>MAY 2001</u>
NASS WEIGHTED AVERAGE PRICES – FULL MONTH			
CHEDDAR CHEESE, per lb.	\$ 1.2359	\$ 1.2323	\$ 1.5129
BUTTER, per lb.	1.0525	1.1720	1.8527
NONFAT DRY MILK, per lb.	0.8972	0.8975	1.0180
DRY WHEY, per lb.	0.1759	0.1948	0.2590

REGIONAL MILK PRODUCTION COSTS, APRIL 2002 AND MAY 2002 ^{4/}

<u>REGION</u>	<u>TOTAL CASH EXPENSES</u>		<u>TOTAL ECONOMIC COSTS</u>	
	<u>APR ^{5/}</u>	<u>MAY</u>	<u>APR ^{5/}</u>	<u>MAY</u>
NORTHEAST	\$14.70	\$15.03	\$19.92	\$20.31
SOUTHEAST	\$14.51	\$14.79	\$18.36	\$18.73
UPPER MIDWEST	\$13.38	\$13.58	\$18.40	\$18.67
CORN BELT	\$14.33	\$14.57	\$20.51	\$20.82
SOUTHERN PLAINS	\$12.71	\$12.95	\$16.22	\$16.49
PACIFIC	\$9.45	\$9.57	\$11.30	\$11.46

^{1/} United States Department of Agriculture, Agricultural Marketing Service. For further information contact John Rourke, 202/720-7461. Prices are dollars per 100 pounds (cwt.) unless otherwise indicated.

^{2/} The Class price announced is per hundredweight at 3.5% butterfat.

^{3/} The Class II butterfat price for the Southwest Marketing Area is the butterfat price plus \$0.007 (\$0.70 divided by 100).

^{4/} United States Department of Agriculture, Economic Research Service. For further information, contact Sara Short, 202/694-5588. Costs are dollars per 100 pounds (cwt.). Regions are defined as: Northeast-New York, Pennsylvania, and Vermont; Southeast-Florida and Georgia; Upper Midwest-Michigan, Minnesota, and Wisconsin; Corn Belt-Iowa, Missouri, and Ohio; Southern Plains-Texas; Pacific-Arizona, California, and Washington.

^{5/} Revised from last month due to changes in milk production, producer price indexes, corn market price, and economic indicators for the U.S. economy.

^{6/} These prices were computed using the formulas in the U.S. District Court's preliminary injunction order dated January 31, 2001.

Richard Fleming
Market Administrator